

EXETER MARKET FOCUS - 2017

Exeter's prime market has had a quiet start to the year, but prices are up 5.8% in the 12 months to June

Exeter's prime residential property market has been relatively subdued in 2017, with the snap General Election earlier this year and ongoing Brexit negotiations engendering a sense of caution among buyers and prospective vendors.

Accordingly, price growth has slowed as the year has progressed. A rise of 1.2% was recorded between April and June, for example, down from a 2% increase in the first three months of the year. On an annual basis, prime property prices in Exeter were 5.8% higher than a year previously.

Land Registry data also shows a slight fall in the volume of sales completed with a value of more than £500,000 in the first six months of the year compared with 2016, as shown in figure 3, although last year's figures include the spike in sales ahead of the introduction of the additional 3% Stamp Duty in April last year.

Agents note that a shortage of good quality stock available to buy has contributed to this slowdown.

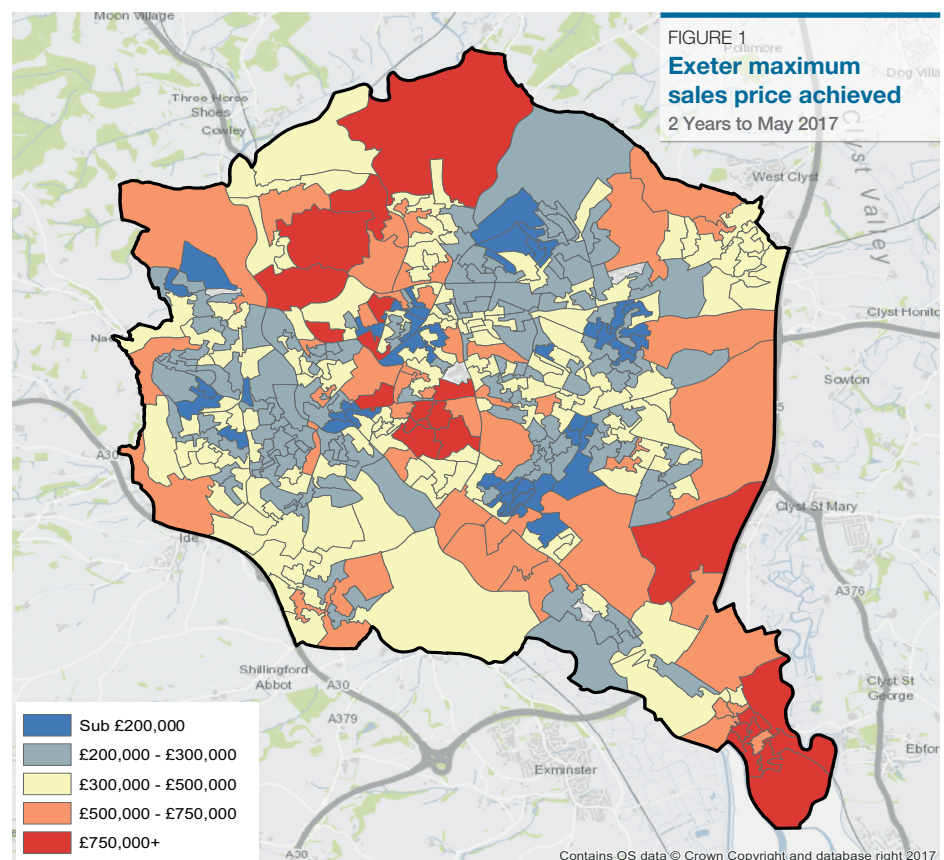
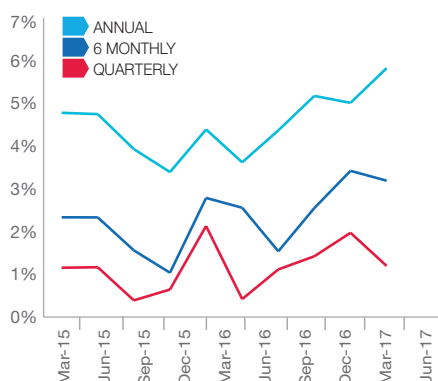
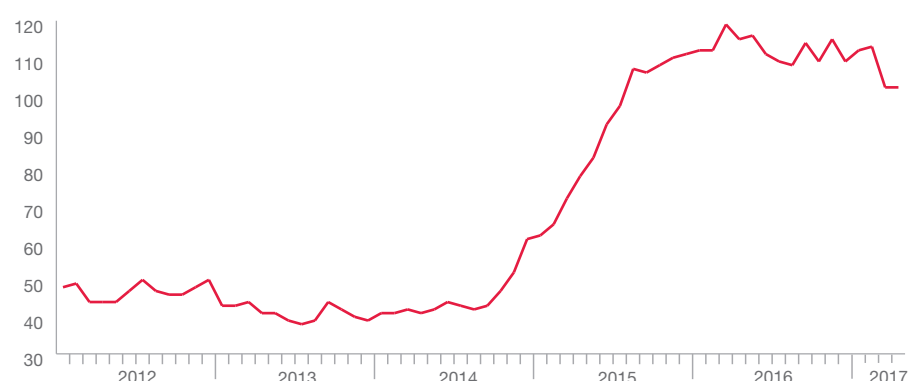


FIGURE 2
Exeter: Prime price change



Source: Knight Frank Research

FIGURE 3
Exeter: Sales volumes Annual rate (rolling 12 monthly totals), £500,000+



Source: Knight Frank Research

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There are, however, a number of indicators of a potential rise in activity.

Firstly, the volume of enquiries from new prospective buyers looking to purchase a property in the city has increased by 14% over the three months to August and viewings were 26% higher, suggesting that there is a degree of pent up demand.

And secondly, the number of market appraisals - often a good indicator of future stock levels - carried out in the three months to August was 7% higher than a year previously. Any increase in the volume of properties listed for sale could go some way towards meeting this demand and result in a pick-up in activity over the autumn market.

Best-in-class homes located close to good schools and transport links will be in greatest demand. However, in this environment, correct pricing will be key to achieving a sale with sellers needing to match asking prices with buyer expectations.

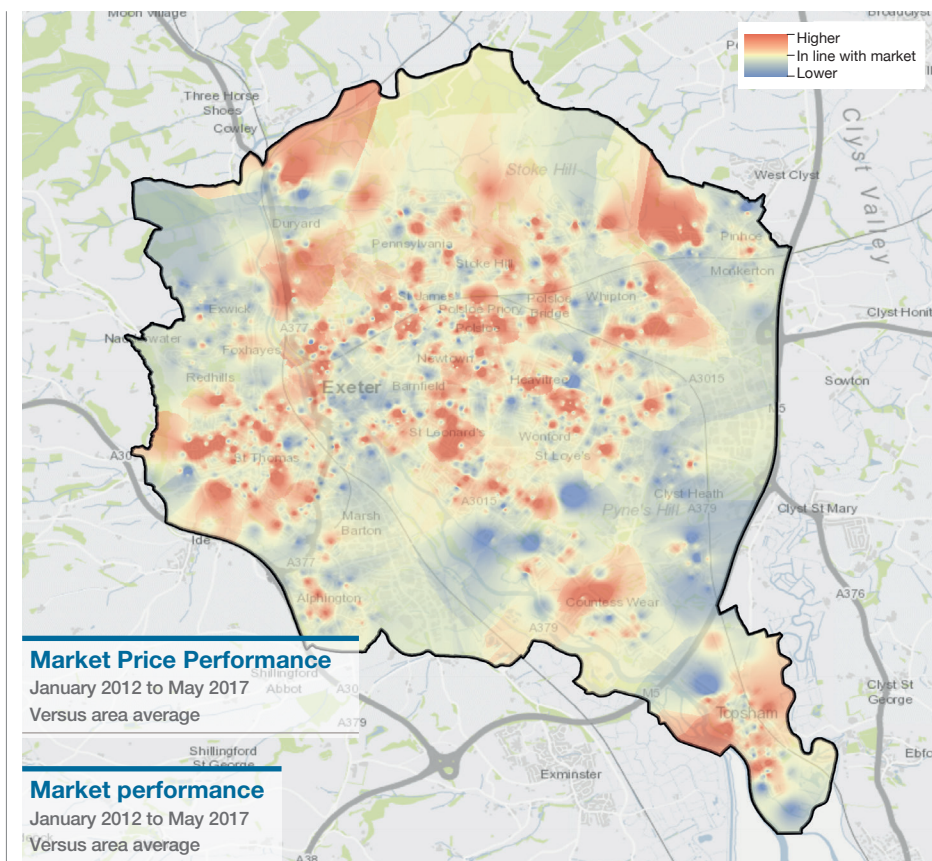
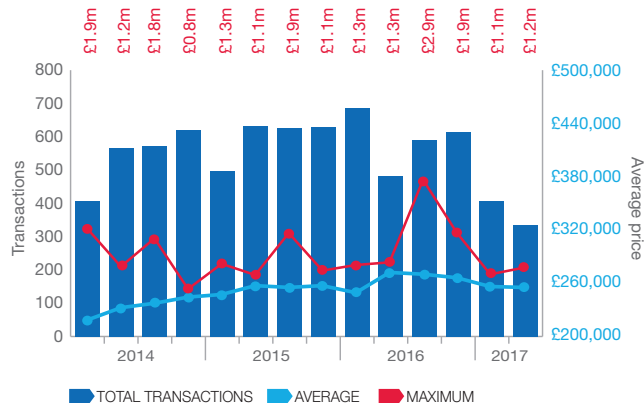


FIGURE 4

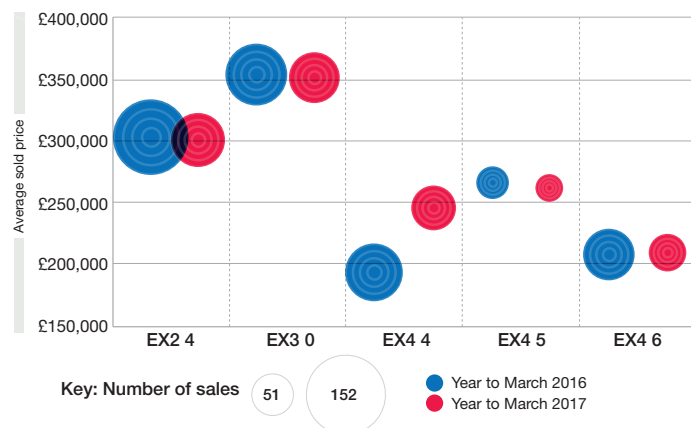
Exeter transaction volumes and pricing data



Source: Knight Frank Research / Land Registry

FIGURE 5

Average sold price and sales volumes by area



Source: Knight Frank Research / Land Registry

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